

Testimony of Hartford HealthCare Submitted to the Appropriations Committee Thursday, February 16, 2016

HB 7027, An Act Making Adjustments to state Expenditures for the Fiscal Year ending June 30, 2019, and Making Appropriations Therefor.

Good evening. I am Dr. Stuart Markowitz, President of Hartford Hospital, the largest of Hartford Healthcare's five acute care hospitals, located just down the street from where we sit tonight.

For the past 5 years HHC has come before this committee asking you to reject the Administration's proposals concerning the Provider tax and to restore Medicaid funding to hospitals. I am thankful for the efforts many of you have made recently to restore, at least in part, that funding, but we are back again this year to address a most unusual twist the Governor's

budget has spun linking this vital financial support for our growing Medicaid population to the elimination of the property tax exemption for all hospitals.

Hartford Hospital plays a vital role in this very community and in fact across the State of Connecticut and beyond. We are one of the largest tertiary care centers and teaching institutions in New England. We are licensed to operate 867 beds and have one of New England's busiest surgical practices. We have the oldest and amongst the largest behavorial health facilities in the Northeast. We own and operate Lifestar, and maintain Hartford's only Level 1 trauma center and one of very few across CT.

We are a vital safety net hospital, and last year alone we accepted over 6000 patients transferred from other Hospitals across Connecticut. Our community benefit exceeded \$150M

last year including \$89M for unreimbursed Medicaid costs. But we have remained committed to serving our community and those who need us most. Our unique Brownstone Clinic provides primary and specialty care to our most underserved and poorest citizens. Over 80% of patients we see in that environment are Medicaid recipients who live right here in Hartford. With the proposed eligibility changes for HUSKY A parents, we can expect to see a greater demand to provide uncompensated care in our clinics and programs. These clinics are already operating at or above their capacity and their ability to grow as well as even sustain their current performance is seriously challenged by the budget proposed. That difficulty may well be further stressed by changes coming from the Federal government.

No one will disagree that the original intent of the Provider Tax and supplemental payments was to provide additional funding to care for our Medicaid population. We have seen that promise to our patients eroded as that support was withheld. Hospitals feel the challenge but it is our patients who ultimately are affected and suffer most as a result of those decisions.

And now while we hear that the promised funding may be restored, which is desperately needed to care for this population – we are being asked to redirect those funds to support our cash-strapped cities and towns by requiring our hospitals to pay property tax.

The continued vitality of our hospitals is a key to secure the future of our cities, to stimulate economic development, to grow employment opportunities and to bring research and

innovation to our communities across our State. This is what will help attract companies and industries to CT that will secure our future as a great place to live and work.

We want to see our cities thrive, to be successful, and to be desirable places to work and live – but that cannot happen as a trade off for caring for out Medicaid population.

Thank You.